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Minnesota Labor Market Review

February 1991

Nation

Unemployment Rate Keeps Rising as Number of Jobs Keeps Falling

The U.S. unemployment rate rose for the fifth time in six months to close out the year at 6.1%. As recently as June, the unemployment rate was 5.3%. The second half of 1990 saw a rapidly deteriorating labor market for all demographic groups regardless of age, race or gender. This is not surprising considering that starting in summer just about every industry weakened. In an unusual departure from prior recessions, employment in general merchandise stores and business services are down, but the brunt of job losses are still being borne by goods producers. There are fewer retail trade jobs than at the start of 1990, and far fewer manufacturing and construction jobs. Overall employment dropped every month starting in July, with especially large declines in October and November.

It is no wonder, then, that the nationwide index of help wanted advertising reached a five-year low in December. Employers are not only reluctant to take on new workers, they are quicker to lay them off. Initial claims for unemployment insurance benefits are rising faster than in previous recessions. Meanwhile, average hours worked is not falling like it usually does in a downturn. It used to be that employers cut hours a few months prior to layoffs. In today's labor market, certain workers (like those on contract from temporary services) are being let go right away, and hours for the survivors maintained.

State

Labor Markets Show First Clear Sign of Weakness

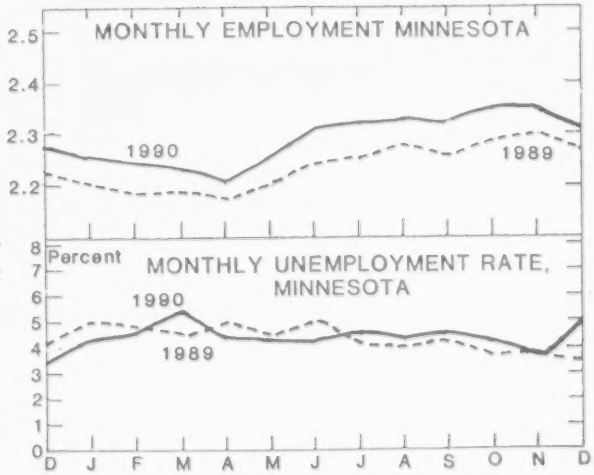
Although the first compelling signals that Minnesota's economy has begun to falter are now apparent, the large job losses seen in other parts of the nation have not yet materialized here. December's unemployment rate rose to 4.9%, a seasonal increase greater than usual, and the largest percentage-point gain from the year-ago month since the last recession. Comparisons between single months are shaky given variable weather and data collection based on small samples: last November the seasonal drop in the unemployment rate was unusually strong, and December 1989's rate of 3.6% was the lowest ever for that month. More telling is the pattern over several months. The unemployment rate has now been above its year-ago mark for six straight months, whereas in the prior year only half the months had higher figures.

Scant job growth over several months has been responsible for the rising unemployment rate. While nonfarm employment usually falls in December, this year the drop was unusual thanks to many layoffs in construction workers and the least hiring of holiday retail staff on record.

Seasonally-adjusted, the number of goods-producing jobs peaked last winter, followed by transportation and utilities in the summer, and trade/finance in fall. But unlike the nation, large job losses in Minnesota are concentrated in a handful of industries: computer manufacturing, construction, trucking, and general retail stores.

By Don Hiber

Labor Force Estimates



	Minnesota (In Thousands)			United States (In Thousands)		
	Dec 90	Nov 90	Dec 89	Dec 90	Nov 90	Dec 89
Labor Force	2,424.5	2,445.7	2,356.9	124,630	124,821	123,998
Employment	2,304.7	2,353.8	2,271.0	117,287	117,611	117,698
Unemployment	119.7	91.9	85.9	7,343	7,211	6,300
Act. Unemp. Rt.	4.9	3.8	3.6	5.9	5.8	5.1
S.A. Unemp. Rt.	-	-	-	6.1	5.9	5.3

Minnesota Nonfarm Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Dec. 1990	Nov. 1990	Dec. 1989	Nov. 1990	Dec. 1989	Dec. 1990	Dec. 1989	Dec. 1990	Dec. 1989	Dec. 1990	Dec. 1989
Total Nonfarm Wage and Salary	2,145.9	2,159.5	2,126.6	-0.6	0.9	-	-	-	-	-	-
Goods Producing	470.4	484.2	478.5	-2.8	-1.7	-	-	-	-	-	-
Mining	7.7	8.3	7.3	-7.0	6.2	631.01	575.59	41.9	41.8	15.06	13.77
Metal Mining	6.5	6.4	5.9	0.2	8.8	649.32	597.13	41.0	42.2	15.46	14.15
Construction	71.2	82.3	75.2	-13.5	-5.4	634.87	616.34	37.7	36.6	16.84	16.84
Manufacturing	391.5	393.6	396.0	-0.5	-1.1	465.44	456.55	40.9	40.8	11.38	11.19
Durable Goods	226.4	227.6	231.0	-0.6	-2.0	479.08	474.76	41.3	41.5	11.60	11.44
Lumber and Furniture	22.8	22.7	22.3	0.2	2.2	490.50	473.77	37.5	37.1	13.08	12.77
Stone, Clay and Glass	8.0	8.9	8.4	-9.5	-4.1	510.92	478.82	42.4	41.6	12.05	11.51
Primary Metals	6.4	6.3	6.6	1.8	-2.5	474.76	471.94	41.5	42.1	11.44	11.21
Fabricated Metals	34.0	34.0	35.2	-0.1	-3.5	497.42	502.15	41.8	42.7	11.90	11.76
Industrial Machinery	77.5	77.7	83.2	-0.3	-6.8	509.09	500.74	41.9	42.4	12.15	11.81
Office and Computing	34.1	34.2	37.5	-0.3	-9.1	543.46	509.80	44.4	44.1	12.24	11.56
Electronic Equipment	28.3	28.3	27.2	-0.3	3.9	420.17	423.00	42.7	42.3	9.84	10.00
Transportation Equipment	11.2	11.7	10.1	-3.9	11.5	463.79	491.15	40.4	41.1	11.48	11.95
Instruments and Related	32.4	32.2	32.3	0.6	0.1	459.43	438.04	42.5	42.2	10.81	10.38
Misc. Manufacturing	5.8	5.8	5.7	-0.1	1.0	410.27	432.33	38.2	39.7	10.74	10.89
Nondurable Goods	165.2	166.0	165.0	-0.5	0.1	448.84	435.60	40.4	40.0	11.11	10.89
Food & Beverage Products	46.0	46.5	46.7	-1.1	-1.6	408.77	402.37	41.0	41.1	9.97	9.79
Textiles & Apparel	4.6	4.6	5.0	-1.2	-7.7	300.95	285.12	37.2	36.0	8.09	7.92
Pater Products	33.8	33.7	33.6	0.3	0.6	568.51	534.07	42.3	40.8	13.44	13.09
Printing and Publishing	52.9	53.1	51.3	-0.3	3.1	432.02	429.02	38.3	38.0	11.28	11.29
Chemicals and Petroleum	11.5	11.7	11.5	-1.3	0.0	547.46	522.45	41.6	41.3	13.16	12.65
Rubber, Plastic & Leather	16.3	16.4	16.8	-0.1	-2.8	418.20	392.89	42.2	41.4	9.91	9.49
Service Producing	1,675.4	1,675.3	1,648.1	0.0	1.7	-	-	-	-	-	-
Transp., Comm., & Util.	108.4	108.7	108.6	-0.3	-0.1	-	-	-	-	-	-
Transportation	74.3	74.4	73.8	-0.2	0.6	-	-	-	-	-	-
Trucking & Warehousing	27.3	27.4	28.7	0.0	-4.7	427.25	450.36	34.4	35.8	12.42	12.58
Communication & Utilities	34.2	34.4	34.8	-0.5	-1.8	644.41	579.11	40.1	37.9	16.07	15.28
Trade	533.3	531.8	530.4	0.3	0.6	246.60	239.25	30.0	29.5	8.22	8.11
Wholesale	130.1	130.2	128.7	-0.1	1.1	423.37	412.54	37.4	37.3	11.32	11.06
Retail	403.2	401.5	401.7	0.4	0.4	195.16	190.01	27.8	27.3	7.02	6.96
Building Materials	18.1	18.4	18.4	-1.5	-1.4	328.33	358.02	36.4	39.3	9.02	9.11
General Merchandise	63.5	63.0	64.6	0.9	-1.7	199.75	196.14	27.4	27.9	7.29	7.03
Food Store	56.8	56.3	55.0	1.0	3.4	199.45	198.10	26.7	27.4	7.47	7.23
Automotive	43.7	43.8	42.9	-0.3	1.9	298.07	300.26	34.7	35.2	8.59	8.53
Apparel	21.6	20.8	21.2	3.9	2.0	132.53	129.27	22.5	22.6	5.89	5.72
Home Furnishings	17.1	16.9	17.2	1.1	-0.9	296.99	283.84	32.6	32.0	9.11	8.87
Eating and Drinking	129.2	130.2	129.2	-0.8	0.0	125.90	113.44	24.4	22.2	5.16	5.11
Fin., Insur., Real Estate	123.9	123.6	121.5	0.2	2.0						
Finance	56.2	56.2	55.5	0.0	1.2						
Insurance	46.9	46.7	45.6	0.6	2.9						
Real Estate	20.8	20.8	20.3	0.2	2.4						
Services	564.2	563.1	550.9	0.2	2.4						
Personal Services	25.7	25.7	25.6	0.1	0.6						
Business Services	99.3	99.7	99.2	-0.3	0.1						
Repair Services	23.6	23.4	23.0	0.9	2.3						
Health Services	168.3	167.6	163.2	0.4	3.1						
Nursing Homes	44.1	43.8	43.3	0.6	1.7						
Hospitals	56.0	55.8	54.9	0.3	2.1						
Legal Services	16.0	16.0	15.7	0.4	2.3						
Private Education	33.5	33.7	33.1	-0.6	1.3						
Government	345.6	348.1	336.8	-0.7	2.6						
Federal	34.0	34.2	34.8	-0.6	-2.3						
State	86.4	87.3	84.8	-1.1	1.8						
Education	49.7	50.7	48.5	-1.9	2.4						
Local	225.2	226.6	217.3	-0.6	3.7						
Education	123.8	123.4	118.2	0.4	4.7						

Note: Not all industry sub-groups are shown for every major industry category.

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Minneapolis–St. Paul MSA

Unemployment Rate Soars

The unemployment rate in the Minneapolis-St. Paul metropolitan area jumped to 4.1% in December. The 0.8 of a percentage point increase from November far surpasses the usual 0.1 point increase.

The abrupt turn-about in December followed an equally historical rate drop in November. It looks as though the 1990 average rate will be about 4.0%, only slightly higher than 1989's 3.8%. Nonetheless, labor market conditions worsened in the second half of 1990 as reflected by a jobless rate that is 1.1 percentage points higher than a year ago when it was at a record low. The number of unemployed workers increased by nearly 24% in December with a lion's share of the increase apparently occurring among structural occupations such as construction trades, welders, and metal fabricating.

The monthly survey of payroll jobs in Twin Cities' area establishments also revealed a sharper than normal cutback in construction. Holiday season hiring among retailers was only about 1/3 the average this year.

Durable goods manufacturing was one of the bright spots. After losing jobs for the past eight consecutive months, the seasonally adjusted number rose slightly. Still, future cutbacks have recently been announced by wood-products and transportation equipment firms.

As happened nationally, the length of the average workweek for local manufacturing production workers increased in December and remains about the same as a year ago even though the number of jobs dropped by over 3,500. It should be noted that most of the job loss was concentrated in the computer industry. Normally, one would expect factories to reduce production first by cutting hours and then by furloughing workers. It is curious, therefore, that in spite of the national recession, the length of the workweek in manufacturing remains high.

By Bruce Steuernagel

LABOR FORCE DATA

	Employment			Unemployment			Unemp. Rate		
	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989
Mpls-St. Paul	1,375,325	1,401,109	1,370,540	58,733	47,441	42,323	4.1	3.3	3.0
REGION 11	1,290,974	1,315,437	1,286,166	52,525	43,552	38,036	3.9	3.2	2.9
Anoka	132,771	135,286	132,276	6,664	5,110	4,447	4.8	3.6	3.3
Carver	24,739	25,208	24,647	1,067	758	844	4.1	2.9	3.3
Dakota	145,397	148,152	144,855	6,169	4,691	4,739	4.1	3.1	3.2
Hennepin	610,836	622,411	608,561	23,032	20,248	15,973	3.6	3.2	2.6
Ramsey	273,157	278,333	272,140	10,418	8,961	7,984	3.7	3.1	2.9
Scott	29,249	29,804	29,141	1,809	1,146	1,420	5.8	3.7	4.6
Washington	74,825	76,243	74,546	3,366	2,638	2,629	4.3	3.3	3.4
Chisago	14,274	14,544	14,220	1,226	820	954	7.9	5.3	6.3
Isanti	12,086	12,315	12,041	977	584	639	7.5	4.5	5.0
Wright	33,058	33,684	32,934	2,770	1,588	1,768	7.7	4.5	5.1
St. Croix, WI	24,933	25,128	25,179	1,236	899	925	4.7	3.5	3.5
Bloomington	57,266	58,351	57,053	2,081	1,895	1,421	3.5	3.1	2.4
Minneapolis	201,442	205,259	200,691	8,195	7,129	5,791	3.9	3.4	2.8
St. Paul	140,840	143,509	140,315	6,462	5,543	4,967	4.4	3.7	3.4

Mpls.–St. Paul Nonfarm Wage & Salary Employment, Hours & Earnings

INDUSTRY	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS & HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Weekly Hours		Average Hourly Earnings	
	Dec. 1990	Nov. 1990	Dec. 1989	Nov. 1990	Dec. 1989	Dec. 1990	Dec. 1989	Dec. 1990	Dec. 1989	Dec. 1990	Dec. 1989
Total Nonfarm Wage and Salary	1,389.7	1,395.7	1,375.6	-0.4	1.0	-	-	-	-	-	-
Goods Producing	305.4	311.9	311.5	-2.1	-2.0	-	-	-	-	-	-
Mining	0.4	0.5	0.5	-11.1	-16.4	681.03	655.62	42.3	41.6	16.10	15.76
Construction	47.6	53.2	49.8	-10.6	-4.5	687.38	656.30	37.5	36.3	18.33	18.08
Manufacturing	257.4	258.2	261.2	-0.3	-1.5	494.84	478.88	41.1	41.0	12.04	11.68
Durable Goods	153.7	154.1	158.4	-0.3	-3.0	507.56	492.06	41.4	41.7	12.26	11.80
Lumber and Furniture	9.1	9.1	9.2	0.6	-0.5	545.14	530.33	37.7	37.4	14.46	14.18
Stone, Clay and Glass	2.9	3.2	3.0	-10.8	-4.7	526.08	473.54	41.1	39.2	12.80	12.08
Primary Metals	4.5	4.5	4.6	1.1	-2.4	483.21	455.52	41.8	42.1	11.56	10.82
Fabricated Metals	25.6	25.6	26.6	-0.1	-3.8	516.15	512.19	42.1	42.4	12.26	12.08
Industrial Machinery	54.8	54.9	60.0	-0.2	-8.8	542.05	525.58	41.6	42.8	13.03	12.28
Office and Computing	22.5	22.5	25.9	-0.2	-13.2	621.30	584.51	43.6	46.5	14.25	12.57
Electronic Equipment	17.8	18.0	17.8	-1.1	0.4	429.93	403.21	41.3	40.2	10.41	10.03
Transportation Equipment	5.5	5.6	4.1	-0.9	36.7	581.02	693.74	38.2	44.3	15.21	15.66
Instruments and Related	29.6	29.4	29.4	0.6	0.6	478.84	457.10	43.1	42.6	11.11	10.73
Misc. Manufacturing	3.8	3.8	3.8	0.4	2.2	468.86	492.05	38.4	40.8	12.21	12.06
Nondurable Goods	103.8	104.1	102.8	-0.4	0.9	477.82	461.95	40.7	40.1	11.74	11.52
Food & Beverage Products	17.1	17.1	16.9	-0.4	0.9	510.94	498.88	42.9	43.8	11.91	11.39
Paper Products	25.9	25.9	25.9	0.1	0.1	512.12	475.58	41.3	39.5	12.40	12.04
Printing and Publishing	38.0	37.9	36.4	0.3	4.5	440.41	449.64	38.7	38.3	11.38	11.74
Chemicals and Petroleum	10.0	10.1	9.7	-1.3	3.2	604.14	555.79	42.1	40.1	14.35	13.86
Rubber and Plastic	11.1	11.2	11.6	-1.1	-4.0	430.76	408.51	41.7	41.6	10.33	9.82
Service Producing	1,084.3	1,083.7	1,064.1	0.1	1.9	-	-	-	-	-	-
Transp. Comm., & Util.	78.5	78.4	76.8	0.1	2.1	-	-	-	-	-	-
Transportation	56.8	56.7	54.8	0.0	3.7	-	-	-	-	-	-
Trucking & Warehousing	18.1	18.1	18.2	0.0	-0.7	424.45	427.85	32.7	33.4	12.98	12.81
Communication & Utilities	21.7	21.6	22.1	0.3	-1.7	628.84	563.25	39.5	37.6	15.92	14.98
Trade	342.2	340.8	341.2	0.4	0.3	281.46	267.85	31.1	30.3	9.05	8.84
Wholesale	88.4	88.5	87.3	-0.1	1.2	470.99	452.02	37.8	37.7	12.46	11.99
Retail	253.8	252.3	253.9	0.6	0.0	222.72	211.68	29.0	28.0	7.68	7.56
Building Materials	10.2	10.4	10.7	-1.8	-4.7	402.23	429.60	36.7	40.0	10.96	10.74
General Merchandise	44.9	44.5	45.9	0.9	-2.2	217.25	208.86	27.5	27.7	7.90	7.54
Food Stores	30.7	30.3	30.0	1.3	2.5	265.35	255.79	29.0	29.1	9.15	8.79
Automotive	25.3	25.5	25.2	-0.5	0.7	354.38	336.35	37.5	36.8	9.45	9.14
Appparel	14.9	14.4	14.3	3.4	3.6	128.44	120.22	21.3	20.8	6.03	5.78
Home Furnishings	12.4	12.2	12.5	2.1	-0.6	333.07	296.56	32.4	30.7	10.28	9.66
Eating and Drinking	82.0	82.6	82.0	-0.7	0.0	146.52	133.03	26.4	24.1	5.55	5.52
Fin., Insur., Real Estate	95.4	95.1	93.6	0.4	2.0						
Finance	40.5	40.5	40.0	-0.1	1.0						
Insurance	38.1	37.8	37.2	0.8	2.4						
Real Estate	16.8	16.8	16.3	0.3	3.1						
Services	377.6	377.0	368.6	0.2	2.4						
Personal Services	18.3	18.3	18.4	-0.2	-0.2						
Business Services	84.0	84.2	84.5	-0.2	-0.6						
Repair Services	17.7	17.6	17.5	0.8	1.3						
Health Services	95.8	95.4	91.9	0.4	4.2						
Nursing Homes	23.2	23.1	22.7	0.3	2.1						
Hospitals	33.4	33.4	32.2	0.1	3.7						
Legal Services	12.9	12.8	12.6	0.3	2.3						
Private Education	16.8	17.0	17.1	-1.1	-1.2						
Government	190.6	192.5	184.0	-1.0	3.6						
Federal	20.6	20.8	20.9	-0.8	-1.1						
State	55.8	56.4	54.6	-1.2	2.3						
Education	32.0	32.7	31.1	-2.0	2.9						
Local	114.2	115.3	108.5	-0.9	5.2						
Education	64.1	64.3	60.4	-0.3	6.0						

Note: Not all industry sub-groups are shown for every major industry category.

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2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full-time and part-time production or non-supervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Central and Northwest Minnesota

LABOR FORCE DATA	Employment			Unemployment			Unemp. Rate		
	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989
St. Cloud	99,085	102,556	93,747	6,293	4,408	5,193	6.0	4.1	5.2
REGION 1	41,199	42,406	39,054	4,676	2,416	2,779	10.2	5.4	6.6
Kittson	2,347	2,413	2,230	258	152	178	9.9	6.3	7.4
Marshall	4,338	4,471	4,212	880	462	567	16.9	9.4	11.9
Norman	3,374	3,459	3,312	254	167	181	7.0	4.6	5.2
Pennington	6,899	7,053	6,284	741	403	432	9.7	5.4	6.4
Polk	13,969	14,315	13,314	1,021	748	698	6.8	5.0	5.0
Red Lake	1,409	1,519	1,305	299	161	197	17.5	9.6	13.1
Roseau	8,863	9,176	8,397	1,223	313	526	12.1	3.3	5.9
REGION 2	30,000	31,061	28,740	2,738	1,900	1,650	8.4	5.8	6.0
Beltrami	16,328	16,925	15,624	1,104	837	711	6.3	4.7	4.4
Clearwater	3,051	3,186	3,030	640	375	465	17.3	10.5	13.3
Hubbard	6,351	6,658	5,913	669	479	453	9.5	6.7	7.1
Lake of Woods	2,004	1,909	1,917	74	57	50	3.6	2.9	2.5
Mahnomen	2,266	2,383	2,256	251	152	171	10.0	6.0	7.0
REGION 4	95,907	98,599	93,516	6,489	4,333	4,698	6.3	4.2	4.8
Becker	13,221	13,627	12,751	1,396	782	1,007	9.6	5.4	7.3
Clay	25,523	26,264	24,893	1,204	811	876	4.5	3.0	3.4
Douglas	15,032	15,323	15,082	872	654	618	5.5	4.1	3.9
Grant	2,879	2,925	2,710	235	144	163	7.5	4.7	5.7
Otter Tail	24,462	25,171	23,515	1,872	1,319	1,389	7.1	5.0	5.6
Pope	4,646	4,671	4,353	360	243	240	7.2	4.9	5.2
Stevens	5,036	5,272	5,087	246	166	193	4.7	3.1	3.7
Traverse	1,995	2,035	1,882	128	87	87	6.0	4.1	4.4
Wilkin	3,113	3,311	3,243	176	127	115	5.4	3.7	3.4
REGION 5	57,050	58,644	56,682	5,563	4,473	3,976	8.9	7.1	6.6
Cass	7,805	8,114	7,392	985	761	726	11.2	8.6	8.9
Crow Wing	20,797	21,482	21,136	1,608	1,293	1,228	7.2	5.7	5.5
Morrison	13,292	13,599	13,512	1,526	1,393	1,030	10.3	9.3	7.1
Todd	10,522	10,725	9,874	962	660	694	8.4	5.8	6.6
Wadena	4,634	4,724	4,768	482	366	298	9.4	7.2	5.9
REGION 6E	53,484	54,451	51,969	3,208	2,442	2,313	5.7	4.3	4.3
Kandiyohi	20,229	20,546	19,243	957	774	643	4.5	3.6	3.2
McLeod	16,558	16,697	16,220	856	590	653	4.9	4.0	3.9
Meeker	8,456	8,683	8,059	857	608	563	9.2	6.5	6.5
Renville	8,241	8,525	8,447	538	370	454	6.1	4.2	5.1
REGION 7E	50,814	52,011	50,122	4,759	3,119	3,443	8.6	5.7	6.4
Chisago	14,274	14,544	14,220	1,226	820	954	7.9	5.3	6.3
Isanti	12,086	12,315	12,041	977	584	639	7.5	4.5	5.0
Kanabec	5,047	5,272	5,559	685	472	501	12.0	8.2	8.3
Mille Lacs	9,996	10,165	9,308	757	520	580	7.3	4.9	5.9
Pine	9,411	9,715	8,994	1,084	723	769	10.3	6.9	7.9
REGION 7W	132,144	136,239	126,681	9,063	5,995	6,962	6.4	4.2	5.2
Benton	15,627	16,174	14,785	1,122	804	997	6.7	4.7	6.3
Sherburne	19,205	19,877	18,170	1,769	1,177	1,075	8.4	5.6	5.6
Stearns	64,254	66,504	60,792	3,402	2,426	3,122	5.0	3.5	4.9
Wright	33,058	33,684	32934	2,770	1,588	1768	7.7	4.5	5.1

ST. CLOUD MSA NONFARM WAGE & SALARY EMPLOYMENT	Employment			% Change From	
Industry	Dec. 1990	Nov. 1990	Dec. 1989	Month Ago	Year Ago
Total Nonfarm Wage and Salary	82,012	83,187	79,674	-1.9	2.7
Goods Producing	18,700	19,638	17,448	-4.8	7.2
Construction and Mining	3,619	4,547	3,827	-20.4	-5.4
Manufacturing	15,081	15,091	13,621	-0.1	10.7
Durable Goods	8,705	8,751	7,323	-0.5	18.9
Nondurable Goods	6,376	6,340	6,298	0.6	1.2
Service Producing	63,312	63,549	62,226	-0.9	1.5
Transpt., Comm., & Util.	3,868	3,819	3,795	1.3	1.9
Trade	25,981	26,357	25,682	-1.4	1.2
Wholesale	3,900	3,955	3,718	-1.4	4.9
Retail	22,081	22,402	21,964	-1.4	0.5
Finan., Insur., & Re. Estate	2,477	2,460	2,424	0.7	2.2
Services	17,127	17,040	16,174	0.5	5.9
Health	5,811	5,788	5,443	0.4	6.8
Other Services	11,316	11,252	10,731	0.6	5.5
Government	13,859	13,873	14,151	-2.7	-3.3

Employment Drops in December While Unemployment Climbs

Unemployment rates climbed during December, the first serious signal of impending recession. Unemployment rates typically rise during December, but this increase widens the over-the-year gap. Coupled with rising unemployment, employment in most areas dropped over the month; however, much of that was seasonal.

In the St. Cloud MSA the unemployment rate jumped vigorously from 4.1% in November to 6.0% in December. Still, although the unemployment rate was only 5.2% last year, in December 1988 (a boom year) the rate was higher than this year's at 6.3%.

Employment in the MSA dropped by 3,471 or 3.4% over the month. Last December it fell by 3.0%, so the trend is not alarming--especially when one notes that this December's employment was 5,338 or 5.7% greater than last December's.

The St. Cloud MSA's nonfarm payroll jobs fell by 1,175 or 1.4% over the month. While jobs often decline in December, the loss is usually less. Even with this drop, there still were 2,338 or 2.9% more nonfarm jobs in the MSA than during last December.

In a display of strength continuing since 1985, manufacturing retained its workers over the month and ended 1990 with 1,460 or 10.7% more jobs it had last December, essentially by virtue of the durable goods producing sector. Construction, as usual, lost jobs in December and in so doing fell 5.4% below last December's level. In November there were slightly more construction jobs than during November 1989.

Among service producers, health was the fastest job gainer over the month and year. Other services (mainly business) lost a small percentage of their jobs over the month and year. Trade lost a small number of jobs since November (usually it adds a few), but still had about one percent more workers than it did last December. Government jobs remained essentially unchanged over the month to render the year-end level about two percent under last December's.

By Ron Daws

Northeast Minnesota

Unemployment Rises more Than Normal During December

Region 3's unemployment rate jumped to 6.7% in December from 5.2% in November. Last December's rate was 4.9%. Duluth's rate climbed from 3.9% in November to 4.8% in December. Last December Duluth's rate was 3.3%. December rises were greater than the normal seasonal jumps, increasing the gap over comparable months of 1989.

Employment in Region 3 and Duluth dropped over the month, but remained greater than during December 1989. The number of nonfarm payroll jobs in Duluth dropped from 50,475 in November to 50,224 in December, a normal cutback. There still remained nearly one percent more payroll jobs than there were last December, a record for December, at least since 1973.

The completion of several construction projects helped eliminate 100 construction jobs between November and December. Construction employed 200 more workers last December than this December. Manufacturing, meanwhile, remained strong with about 30 more workers than during November, and nearly as many as during last December, thanks mainly to durable-goods producers. The number of retail trade jobs remained essentially constant over the month, but cautious holiday consumers kept payrolls slightly below last year's level.

Duluth's health-service industry grew impressively--by 4.5% over the month and 7.2% over the year. Non-health service jobs increased only one percent over the year after dropping slightly over the month.

By Ron Daws

LABOR FORCE DATA

	Employment			Unemployment			Unemp. Rate		
	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989
REGION 3	137,025	141,323	133,192	9,897	7,696	6,845	6.7	5.2	4.9
Aitkin	5,067	5,156	4,606	622	424	502	10.9	7.6	9.8
Carlton	12,681	13,050	11,403	955	686	651	7.0	5.0	5.4
Cook	2,466	2,418	2,390	183	150	139	6.9	5.8	5.5
Itasca	17,002	17,447	15,995	1,504	1,258	1,180	8.1	6.7	6.9
Koochiching	8,597	9,566	8,223	706	601	295	7.6	5.9	3.5
Lake	4,245	4,354	3,717	375	304	194	8.1	6.5	5.0
St. Louis	86,967	89,332	86,858	5,552	4,273	3,884	6.0	4.6	4.3
City of Duluth	37,756	38,783	37,709	1,898	1,582	1,303	4.8	3.9	3.3
Balance St. Louis	49,211	50,549	49,149	3,654	2,691	2,581	6.9	5.1	5.0

DULUTH & DULUTH-SUPERIOR MSA NONFARM WAGE & SALARY EMPLOYMENT

Industry	DULUTH Employment			DULUTH % Change From		DULUTH SUPERIOR Employment			DULUTH SUPERIOR % Change From	
	Dec. 1990	Nov. 1990	Dec. 1989	Month Ago	Year Ago	Dec. 1990	Nov. 1990	Dec. 1989	Month Ago	Year Ago
Total Nonfarm Wage and Salary	50,224	50,475	49,761	-0.5	0.9	96,818	97,420	96,707	-0.6	0.1
Goods Producing	5,698	5,771	5,919	-1.3	-3.7	16,722	17,210	17,392	-2.8	-3.9
Mining	Small, combined with construction					5,553	5,562	5,404	-0.2	2.8
Construction	1,501	1,608	1,701	-6.7	-11.8	2,736	3,226	3,513	-15.2	-22.1
Manufacturing	4,197	4,163	4,218	0.8	-0.5	8,433	8,422	8,475	0.1	-0.5
Durable Goods	1,777	1,783	1,718	-0.3	3.4	4,473	4,522	4,350	-1.1	2.8
Nondurable Goods	2,420	2,380	2,500	1.7	-3.2	3,960	3,900	4,125	1.5	-4.0
Service Producing	44,526	44,704	43,842	-0.4	1.6	80,096	80,210	79,315	-0.1	1.0
Transp., Comm., & Util.	3,331	3,313	3,291	0.5	1.2	5,930	5,897	5,925	0.6	0.1
Trade	12,403	12,443	12,442	-0.3	-0.3	24,643	24,850	24,629	-0.8	0.1
Wholesale	1,822	1,865	1,790	-2.3	1.8	3,891	3,891	3,858	0.0	0.9
Retail	10,581	10,578	10,652	0.0	-0.7	20,752	20,959	20,771	-1.0	-0.1
Finan., Insur., & Re. Estate	1,873	1,866	1,931	0.4	-3.0	3,220	3,227	3,284	-0.2	-1.9
Services	14,544	14,302	14,064	1.7	3.4	24,348	23,984	23,706	1.5	2.7
Health	6,050	5,787	5,644	4.5	7.2	9,795	9,371	9,305	4.5	5.3
Other Services	8,494	8,515	8,420	-0.2	0.9	14,553	14,613	14,401	-0.4	1.1
Government	12,375	12,780	12,114	-3.2	2.2	21,955	22,252	21,771	-1.3	0.8

Southern Minnesota

Unemployment Rates Rise

The recession seems to finally be hitting southern Minnesota. Unemployment rates rose abnormally in December to reach levels considerably above those of December 1989. Even in the Rochester MSA, the rate jumped from 2.8% in November and 2.5% last December, to 3.2% this December

While unemployment was rising in the regions, employment dropped seasonally over the month. Still, because of a strong early 1990, there were more jobs than during last December. Unexpectedly, it was the MSA that gained employment slowest over the year.

The Rochester MSA's nonfarm payroll jobs declined slightly between November and December. Historically, they rise or drop slightly between November and December, so we seem to be seeing business as usual. The recession sighted above is not apparent in the MSA's payroll job data.

Both goods- and service-producers created jobs over the year, and service-producers were even able to add jobs over the month. Construction, although losing seasonal jobs over the month, had more employment than during December 1989, and manufacturing, although losing scattered jobs over the month and year, remained basically intact.

Of service-producing industries, retail trade performed well in adding 168 jobs over the month, and 125 jobs over the year. Given that holiday shoppers in many places were becoming increasingly frugal, Rochester area shoppers seemed unaffected, leaving stores' and restaurants' businesses relatively unscathed.

Both the health- and non-medical services sectors remain strong. The health-services sector lost a few jobs over the month, but employed more workers than last December. The non-medical service sector created significantly more jobs both over the month and year, and government continued to inch upward, adding a few jobs over the month, and another percent-and-a-half of them over the year.

By Ron Daws

LABOR FORCE DATA

	Employment			Unemployment			Unemp. Rate		
	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989	Dec. 1990	Nov. 1990	Dec. 1989
REGION 6W	23,842	24,134	22,632	1,401	982	1,194	5.6	3.9	5.0
Big Stone	2,678	2,762	2,623	156	113	120	5.5	3.9	4.4
Chippewa	7,013	7,063	6,061	403	237	365	5.4	3.2	5.7
Lac Qui Parle	3,958	3,960	3,764	190	128	148	4.6	3.1	3.8
Swift	4,556	4,621	4,707	344	217	319	7.0	4.5	6.3
Yellow Medicine	5,637	5,728	5,477	308	287	242	5.2	4.8	4.2
REGION 8	60,720	61,659	57,986	3,224	2,324	2,[illegible]	5.0	3.6	4.2
Cottonwood	6,094	6,104	5,949	379	288	251	5.9	4.5	4.0
Jackson	5,402	5,541	5,180	306	227	188	5.4	3.9	3.5
Lincoln	3,181	3,151	2,987	222	215	187	6.5	6.4	5.9
Lyon	12,498	12,764	11,423	771	468	602	5.8	3.5	5.0
Murray	4,560	4,652	4,505	267	187	252	5.5	3.9	5.3
Nobles	12,022	12,225	11,146	486	355	318	3.9	2.8	2.8
Pipestone	4,812	4,925	4,972	288	219	257	5.6	4.3	4.9
Redwood	7,378	7,519	7,377	356	243	279	4.6	3.1	3.6
Rock	4,773	4,778	4,447	149	122	189	3.0	2.5	4.1
REGION 9	110,204	111,876	106,313	5,575	4,258	3,978	4.8	3.7	3.6
Blue Earth	28,762	29,264	28,247	1,087	950	779	3.6	3.1	2.7
Brown	13,906	14,150	13,244	703	532	522	4.8	3.6	3.8
Faribault	7,344	7,446	7,126	543	342	329	6.9	4.4	4.4
LeSueur	10,410	10,534	9,885	913	619	633	8.1	5.6	6.0
Martin	11,560	11,819	10,894	640	520	416	5.2	4.2	3.7
Nicollet	15,700	15,975	15,420	549	504	424	3.4	3.1	2.7
Sibley	6,598	6,588	6,410	434	307	351	6.2	4.5	5.2
Waseca	9,809	9,997	9,063	439	296	340	4.3	2.9	3.6
Watonwan	6,115	6,103	6,024	267	188	184	4.2	3.0	3.0
REGION 10	221,375	225,939	217,968	10,622	8,419	7,303	4.6	3.5	3.2
Dodge	8,022	8,195	7,730	592	375	361	6.9	4.4	4.5
Fillmore	9,490	9,620	9,410	560	341	438	5.6	3.4	4.4
Freeborn	15,061	15,403	16,385	1,400	1,305	716	8.5	7.8	4.2
Goodhue	21,504	21,626	20,564	949	822	696	4.2	3.7	3.3
Houston	9,342	9,865	9,151	404	333	349	4.1	3.3	3.7
Mower	17,931	18,297	16,212	771	614	527	4.1	3.2	3.1
Olmsted	62,419	63,663	61,753	2,083	1,804	1,586	3.2	2.8	2.5
Rice	27,761	28,274	26,525	1,328	837	906	4.6	2.9	3.3
Steele	16,096	16,265	15,558	723	616	434	4.3	3.6	2.7
Wabasha	8,073	8,253	8,571	532	420	425	6.2	4.8	4.7
Winona	25,676	26,478	26,109	1,280	952	865	4.7	3.5	3.2
Rochester City	38,834	39,608	38,420	1,428	1,306	1,079	3.5	3.2	2.7

ROCHESTER MSA NONFARM WAGE & SALARY EMPLOYMENT

Industry	Employment			% Change From	
	Dec. 1990	Nov. 1990	Dec. 1989	Month Ago	Year Ago
Total Nonfarm Wage and Salary	65,588	65,752	64,642	-0.2	1.5
Goods Producing	13,886	14,296	13,790	-2.9	0.7
Construction and Mining	2,089	2,403	1,957	-13.1	6.7
Manufacturing	11,797	11,893	11,833	-0.8	-0.3
Durable Goods	9,965	9,905	10,014	0.6	-0.5
Nondurable Goods	1,832	1,988	1,819	-7.8	0.7
Service Producing	51,702	51,456	50,852	0.5	1.7
Transp., Comm., & Util.	1,873	1,875	1,929	-0.1	-2.9
Trade	13,251	13,092	13,122	1.2	1.0
Wholesale	1,382	1,391	1,378	-0.6	0.3
Retail	11,869	11,701	11,744	1.4	1.1
Finan., Insur., & Re. Estate	1,689	1,692	1,638	-0.2	3.1
Services	28,168	28,122	27,551	0.2	2.2
Health	18,544	18,574	18,342	-0.2	1.1
Other Services	9,624	9,548	9,209	0.8	4.5
Government	6,721	6,675	6,612	0.7	1.6

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Selected Minnesota Program Statistics

SELECTED MINNESOTA PROGRAM STATISTICS

Distribution of Insured Unemployed by Industry and Occupation, Dec. 1990

Industry Attachment	Number	Percent of Total	Percent*/ Long-Term Unemployed	Women as Percent of total
TOTAL, ALL INDUSTRIES	49,681	100.0	15.2	24.6
Ag., For., Fish.	1,790	3.6	2.7	31.2
Mining	834	1.7	5.1	5.5
Construction	15,793	31.8	3.8	3.4
Manufacturing	11,589	23.3	18.7	30.5
Public Utilities	2,119	4.3	17.6	19.1
Wholesale Trade	2,797	5.6	26.0	27.9
Retail Trade	4,199	8.5	25.5	43.2
Fin., Ins., Re. Est.	1,407	2.8	32.0	55.3
Services	6,507	13.1	25.7	50.3
Public Admin.	1,412	2.8	12.7	34.2
Info. Not Available	1,234	2.5	19.1	31.1
Occupational Attachment				
TOTAL, ALL OCCUPATIONS	49,681	100.0	15.2	24.6
Prof., Tech., Mg.	7,485	15.1	31.9	37.7
Clerical	4,313	8.7	29.0	80.2
Sales	1,851	3.7	26.5	32.4
Services	2,359	4.7	20.1	58.7
Farm, For., Fish.	1,592	3.2	1.5	12.6
Processing	1,319	2.7	16.1	27.8
Machine Trades	2,601	5.2	16.7	11.5
Benchwork	3,881	7.8	13.1	50.4
Structural Work	16,840	33.9	4.6	2.3
Misc., & INA	7,440	15.0	13.7	10.0

Distribution of Insured Unemployed by Age and Sex, Dec. 1990

Age Groups	Number	Percent Distribution		
		Men of Totals	Men of Men	Women of Women
TOTALS	49,681	75.3	100.0	100.0
Under 45	36,747	76.2	75.2	71.5
Under 25	6,265	78.5	13.1	11.0
25-34	17,855	77.0	36.7	33.5
35-44	12,776	74.1	25.3	27.0
45 and over	12,784	72.7	24.8	28.5
45-54	7,793	72.8	15.1	17.3
55 and over	4,991	72.7	9.7	11.1

Experienced Supply/Job Openings Demand**/

Applicants (Supply) Dec. 1990	Job Openings (Demand) Dec. 1990	Supply/Demand Ratio	
		Dec. 1990	Dec. 1989
45,373	19,131	2.4	2.9
12,541	1,870	6.7	5.4
7,613	2,896	2.6	2.5
3,228	2,355	1.4	1.7
4,246	4,998	0.9	0.9
660	405	1.6	1.3
917	1,817	0.5	1.6
3,004	716	4.2	5.6
2,572	872	3.0	4.6
5,327	1,229	4.3	12.2
5,495	1,973	2.8	4.3

*/ Long-term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

**/ Available supply/demand at the end of the month, not applicants and openings available during the month.